

**STATE OF CALIFORNIA**  
**CALIFORNIA ENERGY COMMISSION**

**Business Meeting Minutes**

**of**

**November 19, 2003**

## Business Meeting Minutes of November 19, 2003

The meeting was called to order by Acting Chairman Pernell at 10:10 a.m.

The Pledge of Allegiance was led by Commissioner Boyd.

William J. Keese	Absent
Robert Pernell	Present
Arthur Rosenfeld	Present
James D. Boyd	Absent
John L. Geesman	Present

*Prior to the start of the meeting, Acting Chairman Pernell introduced Commissioner Geesman thinking he was awarding a plaque to a member of Commissioner Geesman's staff. However, Acting Chairman Pernell had been featured in a section of funny papers called "Soul Corner" and his staff had prepared a blow-up of it and Commissioner Geesman presented it to Acting Chair Pernell who was extremely surprised. This is an honor to be chosen for this section because you must be an outstanding individual who has been an inspiration in life as well as business.*

1. CONSENT CALENDAR. (Items on the Consent Calendar will be taken up and voted on as a group. A Commissioner may request that an item be discussed and moved to later on the agenda).
  - a. COMMISSION CO-SPONSORSHIP. Possible approval of a co-sponsorship request for which the Energy Commission might provide the use of its name and participate with a booth.
    - Anaheim Spring Home and Garden Show, June 4-6, 2004 - Anaheim Convention Center, Anaheim, California
  - b. WASHINGTON STATE UNIVERSITY. Possible approval of Contract 400-00-055 Amendment 2, to provide a no cost time extension which extends the term of the Peak Demand Behavioral Evaluation Research end date of December 31, 2003 to December 31, 2004.
  - b. ENERGY CONCEPTS COMPANY. Possible approval of Contract 500-01-028 Amendment 1, for a no cost extension from December 31, 2003 to December 31, 2004. The purpose of this contract is to demonstrate to the food and beverage industries the recently developed technology of Gas Fired Hot Water Heat Pump ThermoSorber which is projected to reduce the consumption of the natural gas by 40 percent in hot water production and by as much as 80 percent in the chilling production.

- c. SOUTHERN CALIFORNIA EDISON COMPANY (SCE). Possible approval of Contract 500-01-026 Amendment 1, for a no-cost time extension from December 31, 2003 to December 31, 2004. The purpose of this contract is to establish a benchmark to optimize the efficiency of the central plant compressed air systems and a methodology to quantify and measure the overall efficiency of the compressed air systems. This will assist the California utilities to develop the compressed air system efficiency rebate programs.
- d. WESTERN INTERSTATE ENERGY BOARD. Possible approval of Contract 100-03-002 for \$18,000 for a membership to enable the Energy Commission to participate in the Western Interstate Energy Board through June 30, 2004.
- e. REGENTS OF THE UNIVERSITY OF CALIFORNIA. Possible approval of Work Authorization # MR-019 with the University of California under PIER Research Agreement #500-02-004, with the University of California at Davis to enhance the methods and models used to estimate the potential impacts of climate change on hydropower generation, agricultural production, water supplies, and flood control. The researchers will also test the practical efficiencies of adaptation suggested by a state-wide water system optimization model (CALVIN) with a more detailed regional simulation model (CALSIM). The total cost for this initial project is not to exceed \$250,000.
- f. REGENTS OF THE UNIVERSITY OF CALIFORNIA. Possible approval of Work Authorization Number MR-018 for an amount not to exceed \$1,599,759 to establish and operate the California Lighting Technology Center. The Center will be unique in California and the U.S. by advancing the application of energy-efficient lighting technologies through applications research with industry partners and coordination with utility demonstration and education programs.
- g. REGENTS OF THE UNIVERSITY OF CALIFORNIA. Possible approval of Work Authorization Number MR-21, under Contract 500-02-004 for an amount not to exceed \$1,010,097 to carry out terrestrial sequestration studies, geological sequestration studies, regulatory assessments, and technical program management for the Partnership.

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of the Consent Calendar. The vote was unanimous. (3-0)*

- 2. CALIFORNIA DEPARTMENT OF CONSERVATION. Possible approval of Contract 500-03-018 for \$130,000 to make a preliminary evaluation of the potential of geologic sequestration of carbon dioxide in California. This is part of the Consent Item 1(g) the West Coast Regional Carbon Sequestration Partnership – Phase I.

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-03-018. The vote was unanimous. (3-0)*

3. RENEWABLE RESOURCES DEVELOPMENT REPORT. Discussion and possible approval of the Energy Commission's Report to the Legislature on renewable energy resource potential. This report is required by Senate Bill 1038 (SB 1038, Sher, Chapter 515, Statutes of 2002) and is due to the Legislature by December 1, 2003.

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of the Commission's Report to the Legislature on Renewable Energy Resource Potential, along with the included errata. The vote was unanimous. (3-0)*

4. SOLAR ENERGY AND DISTRIBUTED GENERATION GRANT PROGRAM: Possible approval of guideline revisions to the Solar Energy Program Element Guidebook to clarify the requirements for modifying funding award reservations.

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of the revisions to the Solar Energy Program Element Guidebook. The vote was unanimous. (3-0)*

5. NEW RENEWABLES PROGRAM: Possible approval of guideline revisions to (a) allow on-line winning bidders to avoid undergeneration penalties by voluntarily reducing their funding award or by adding generating capacity to their projects; and (b) maintain the 50% penalty level until July 1, 2004 for the funding awards of winning bidders from the October 2000 and June 2001 auctions who are not yet on-line.

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval the revisions to allow on-line winning bidders to avoid undergeneration penalties or voluntarily reducing their funding or by adding generating capacity to their projects and maintain the 50 percent penalty level until July 1, 2004. The vote was unanimous. (3-0)*

6. CITY OF COMPTON. Possible approval of a \$635,087 loan to the city of Compton to install energy efficient Light Emitting Diode (LED) traffic lights. This project is estimated to save about \$166,000 annually in reduced energy costs and has a simple payback of 3.8 years. (ECAA Bond funded)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of a loan to the city of Compton. The vote was unanimous. (3-0)*

7. COUNTY OF MARIN. Possible approval of a loan to the county of Marin for \$154,042 to install variable speed drives on the HVAC system at the Civic Center building. This project is estimated to save about \$49,865 annually and has a simple payback of 3.1 years. (ECAA Bond funded)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of a loan to the county of Marin. The vote was unanimous. (3-0)*

8. SMALL GRANT PROGRAM SOLICITATION. Possible approval of nine projects recommended for funding for the cycle 03-01 Energy Innovations Small Grant Program Solicitation. Those recommended are:

a.	Nove Technologies, Inc.	\$72,060
b.	University of Arizona	\$75,000
c.	SOAR Technologies, Inc.	\$75,000
d.	Eneftech Corporation/LBNL	\$75,000
e.	Material Methods, LLC	\$74,996
f.	Cobalt Energy	\$75,000
g.	Distributed Power Technologies LLC	\$74,970
h.	University of California, Los Angeles	\$74,993
i.	The Starburst Foundation	\$74,998

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the nine projects from the Small Grant Program Solicitation. The vote was unanimous. (3-0)*

9. JOINT AGENCY SUPPORT CONTRACTS. Possible approval of Contracts to receive funds over three fiscal years, to co-fund a joint-agency support contract managed by the Commission to analyze DMV data.
- a. DEPARTMENT OF TRANSPORTATION (Caltrans), Contract R600-03-001, to receive \$75,000.
  - b. DEPARTMENT OF PARKS AND RECREATION, Contract R600-03-019 to receive \$115,000.
  - c. DEPARTMENT OF GENERAL SERVICES (DGS), Contract R600-03-003 to receive \$120,000.

*Commissioner Geesman moved and Commissioner Rosenfeld seconded approval of three contracts to receive funds, Contract R600-03-001, R600-03-019 and R600-03-003. The vote was unanimous. (3-0)*

10. MINDSTORM. Possible approval of Contract 150-03-001 for \$68,707 to develop the Energy Road video project. This digital video is intended to educate middle school students to understand the workings of California's diversified energy system showing how electricity is generated by the different energy resources. (Bright Schools funded)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 150-03-001. The vote was unanimous. (3-0)*

11. CALIFORNIA COUNCIL ON SCIENCE AND TECHNOLOGY. Possible approval of Contract 500-02-021 Amendment 1, for \$157,000 to provide honorarium for additional panel members and to provide funds for panel technical support. (PIER funded)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-02-021 Amendment 1. The vote was unanimous. (3-0)*

12. DEPARTMENT OF FISH AND GAME. Possible approval of Contract 500-03-017 for \$774,414 to develop bioassessment tools to evaluate and monitor the effects of hydropower operation on streams and rivers in California. (PIER funded)

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of Contract 500-03-017. The vote was unanimous. (3-0)*

13. Minutes

*Commissioner Rosenfeld moved and Commissioner Geesman seconded approval of the minutes from the November 5, 2003 business meeting.*

14. Commission Committee and Oversight

*No report was given.*

15. Chief Counsel's Report

*Chief Counsel Bill Chamberlain informed the Commission that an Executive Order had been signed by the new Governor requesting a listing of all pending regulations and that a hold be placed on those pending regulations. Mr. Chamberlain followed by explaining that the Commission currently had three which fit the criteria.*

16. Executive Director's Report

*Scott Matthews indicated that the Executive Director was away; however, we were going to be looking at all the regulations since 1989 and we have 90 to comply.*

17. Public Adviser's Report

*Margret Kim introduced her new Assistant Adviser, Mike Monasmith and indicated there were several items that were upcoming.*

18. Public Comment

*Issa Ajalouny spoke again about the Metcalf Energy Center and reiterated what he had said at the October 22, 2003 business meeting's public comment section.*

The meeting was adjourned at 12:25 p.m.

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BETTY A. McCANN  
Secretary to the Commission